

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, JANUARY 29, 2008**, upon the application of **INDIGO MINERALS, LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Upper Hosston Formation, Reservoir A, the Lower Hosston Formation, Reservoir B, and the Cotton Valley Formation, Reservoir B**, in the Belle Bower Field, DeSoto Parish, Louisiana.

UPPER HOSSTON FORMATION, RESERVOIR A

1. To permit Applicant to drill, designate and utilize substitute unit wells for U HOSS RA SUY and for U HOSS RA SUZ at the locations shown on the plat submitted with the application.
2. To find that each of the proposed substitute unit wells is necessary to efficiently and economically drain a portion of the Upper Hosston Formation, Reservoir A, underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on the unit.
3. To designate Applicant as operator of U HOSS RA SUY and of U HOSS RA SUZ.

The Upper Hosston Formation, Reservoir A, is defined in Office of Conservation Order No. 312-C, effective December 16, 1977.

**LOWER HOSSTON FORMATION, RESERVOIR B AND
COTTON VALLEY FORMATION, RESERVOIR B**

1. To establish rules and regulations governing the exploration for and production of gas and condensate from each of these formations and reservoirs.
2. To create two (2) drilling and production units for the exploration for and production of gas and condensate from each of these formations and reservoirs, such units being shown on the plats submitted with the application and being designated L HOSS RB SUA, L HOSS RB SUB, CV RB SUA and CV RB SUB.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate an operator of, and unit wells for, the proposed units as may be appropriate.

BELLE BOWER FIELD
08-118 thru 08-121

5. To propose that future wells drilled to these formations and reservoirs within or outside of the units proposed herein be located no closer than 660 feet to any unit line and no closer than 2,000 feet to any well completed in, drilling to, or for which a permit has been granted to drill to said formations and reservoirs.
6. To permit applicant to combine downhole production from the proposed units and from U HOSS RA SUY and U HOSS RA SUZ, or any combination thereof, in any well drilled on identical units in which the interest of the parties are identical in the units from which production is to be combined downhole.
7. To consider such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir B, is defined as the stratigraphic equivalent of that gas and condensate bearing interval encountered between the measured depths of 8,935' and 9,970' in the Redmon Oil Company, Inc. (formerly Marshall Exploration)-Ramsey-Pace No. 1 Well, located in Section 28, Township 13 North, Range 16 West.

The Lower Hosston Formation was defined in Office of Conservation Order No. 312-D, effective December 16, 1977.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA
12/20/07;12/26/07
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**IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH
DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF
CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON
ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS
OF THE HEARING DATE.**